UNIVERSITY OF SOUTH CAROLINA

COLUMBIA

January 11, 1961

ANS. BY............................
LETTER No........................
DATE ....

Department of International Studies

Dr. Daniel Ellsberg
The Rand Corporation
1700 Main Street
Santa Monica, California

Dear Dr. Ellsberg:

I was particularly pleased to meet you at the American Economic
Association meeting because I have long been impressed with
your work. I enclose a paper I gave at the Southern Economic
Association meeting and a reprint of an article which footnotes
"The Reluctant Duelist." These will give you sort of an intro-
duction to the work that Buchanan and I are now engaged in.

The principal reason for this letter, however, is to enlist your
assistance in a problem that has been bothering me recently. I
need a distinguished game theorist who lives within reach of Las
Vegas and you meet the specifications. It is generally believed
that game theory was invented by Von Neuman. I think that I have
found an earlier invention, but I am not sure. The game variously
known as Blackjack, Twenty-one and, in England, Pontoon has been
played by professional gamblers for a long period of time. It is
clearly a game of strategy, although chance also enters in, and
my question is how did they determine the proper rules for the
dealer to follow in a professional gambling establishment? The
gambling mills in Las Vegas have specific rules in instructing
their dealers how to play. It seems possible either that these
rules are not, in fact, optimal, in which case game theory would
be of some benefit to them, or that someone sometime in the past
solved a specific game theory matrix.

Doubtless, this problem is of no overwhelming importance, but it
is of some interest for the history of game theory. If you have an
opportunity to investigate the matter, I would very much appreciate
hearing the results.

Sincerely,

Gordon Tullock

GT:nw

Enclosures